

PRIMARY GOVERNMENT - PROPRIETARY
FUNDS

CITY OF MINNEAPOLIS

MINNESOTA

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governments, on a cost reimbursement basis. Included in the Internal Service Funds are:

Engineering Materials and Testing - This fund is used to account for the operations of the City's asphalt plant and paving products laboratory. The paving products laboratory provides in-lab and on-site testing and soil boring services to ensure quality control of asphalt and soils for projects.

Intergovernmental Services - This fund is used to account for Information and Technology Services, City Clerks central mailing and printing services, and the City's telecommunications operations.

Property Services - This fund is used to account for the physical management and maintenance of fire stations, police precinct buildings, the Public Service Center and various other City office locations, except for the City Hall/County Court House building, which is accounted for in the Municipal Building Commission Special Revenue Fund.

Permanent Improvement Equipment - This fund is used to account for the ownership and operation of radio communication equipment and a fleet of motorized equipment and vehicles. The fund operates as a rental agent to various departments to support the construction and maintenance of City infrastructure, fire protection services, and police services.

Public Works Stores - This fund is used to account for the centralized procurement, warehousing, and distribution of stocked inventory items, and the purchase of special goods and services.

Self-Insurance - This fund is used to account for employee medical, dental, and life insurance benefit programs and the programs' administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program.

**INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-1**

December 31, 2000

(In Thousands)

	Engineering Materials and Testing	Inter- governmental Services	Property Services*	Permanent Improvement Equipment	Public Works Stores	Self-Insurance	2000 Total	1999 Total
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 3	\$ 64	\$ 3	\$ 8	-	\$ 7	\$ 85	\$ 208
Receivables:								
Accounts - net	18	27	67	338	\$ 88	22	560	811
Interfund loans receivable	1,286	-	-	-	-	-	1,286	1,050
Inventories	84	-	-	613	3,113	-	3,810	4,075
Total current assets	1,391	91	70	959	3,201	29	5,741	6,144
Fixed assets:								
Land, leaseholds and easements	-	-	27	3,085	-	-	3,112	3,112
Buildings and structures	2,961	-	90	24,002	-	-	27,053	15,223
Less accumulated depreciation	(2,381)	-	(90)	(780)	-	-	(3,251)	(3,858)
Public improvements	-	-	-	-	3	-	3	3
Less accumulated depreciation	-	-	-	-	(1)	-	(1)	(1)
Machinery and equipment	427	1,784	160	41,844	179	23	44,417	44,244
Less accumulated depreciation	(241)	(1,368)	(98)	(23,829)	(156)	(16)	(25,708)	(24,812)
Computer equipment	90	1,746	156	1,106	53	51	3,202	8,563
Less accumulated depreciation	(69)	(730)	(134)	(722)	(45)	(20)	(1,720)	(6,955)
Software	1	700	12	5	10	3	731	502
Less accumulated depreciation	(1)	(303)	(1)	(1)	(9)	(2)	(317)	(234)
Other capital outlay	15	97	44	32	23	1	212	213
Less accumulated depreciation	(6)	(86)	(26)	(24)	(14)	-	(156)	(150)
Construction in progress	-	-	-	-	-	-	-	9,025
Net fixed assets	796	1,840	140	44,718	43	40	47,577	44,875
Total assets	\$ 2,187	\$ 1,931	\$ 210	\$ 45,677	\$ 3,244	\$ 69	\$ 53,318	\$ 51,019

(continued)

**INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET**

CITY OF MINNEAPOLIS, MINNESOTA

Statement F-1

(Continued)

(In Thousands)

December 31, 2000

	Engineering Materials and Testing	Inter- governmental Services	Property Services*	Permanent Improvement Equipment	Public Works Stores	Self-Insurance	2000 Total	1999 Total
LIABILITIES AND FUND EQUITY								
Current liabilities:								
Salaries payable	\$ 44	\$ 181	\$ 125	\$ 811	\$ 25	\$ 247	\$ 1,433	\$ 1,077
Accounts payable	39	952	470	949	198	434	3,042	3,033
Intergovernmental payable	-	4	1	-	-	-	5	1
Interfund loans payable	-	-	1,545	16,700	1,286	4,210	23,741	31,575
Interest payable	-	-	-	71	-	46	117	67
Deferred revenue	140	-	-	571	-	-	711	28
Bonds payable-current portion	-	-	-	-	-	745	745	670
Total current liabilities	223	1,137	2,141	19,102	1,509	5,682	29,794	36,451
Long-term liabilities:								
Bonds payable	-	-	-	20,150	-	10,275	30,425	22,370
Advances from other funds	-	12,800	-	-	-	-	12,800	-
Compensated absences payable	58	205	143	714	28	3,976	5,124	4,869
Unpaid claims payable	-	-	-	-	-	29,582	29,582	21,885
Total long-term liabilities	58	13,005	143	20,864	28	43,833	77,931	49,124
Total liabilities	281	14,142	2,284	39,966	1,537	49,515	107,725	85,575
Fund equity:								
Contributed capital	184	904	-	11,949	1,096	-	14,133	9,324
Retained earnings:								
Reserved for future contingencies	28	-	-	-	-	-	28	42
Reserved for renewal and replacement	1,000	-	-	-	-	-	1,000	1,000
Reserved for severance pay	-	-	-	-	-	3,797	3,797	3,257
Unreserved	694	(13,115)	(2,074)	(6,238)	611	(53,243)	(73,365)	(48,179)
Total fund equity	1,906	(12,211)	(2,074)	5,711	1,707	(49,446)	(54,407)	(34,556)
Total liabilities and fund equity	\$ 2,187	\$ 1,931	\$ 210	\$ 45,677	\$ 3,244	\$ 69	\$ 53,318	\$ 51,019

* Formerly called Lands and Buildings

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-2**

(In Thousands)

	Engineering Materials and Testing	Inter- governmental Services	Property Services	Permanent Improvement Equipment	Public Works Stores	Self-Insurance	2000 Total	1999 Total
Operating revenues:								
Charges for services and sales	\$ 3,618	\$ 2,894	\$ 2,324	\$ 10,324	\$ 4,192	\$ 43,701	\$ 67,053	\$ 64,129
Rents and commissions	-	-	3,163	17,950	-	-	21,113	16,311
Total operating revenues	3,618	2,894	5,487	28,274	4,192	43,701	88,166	80,440
Operating expenses:								
Personal services	1,215	4,383	3,048	15,253	587	10,981	35,467	34,363
Contractual services	565	6,836	1,301	2,723	62	33,882	45,369	45,250
Materials, supplies, services and other	1,601	821	919	4,331	156	18,789	26,617	11,545
Rent	70	2,311	54	2,479	41	373	5,328	3,570
Cost of stores issuance	-	-	-	1,891	2,869	-	4,760	4,096
Depreciation	94	448	24	3,836	8	14	4,424	4,720
Total operating expenses	3,545	14,799	5,346	30,513	3,723	64,039	121,965	103,544
Operating income (loss)	73	(11,905)	141	(2,239)	469	(20,338)	(33,799)	(23,104)
Non-operating revenues (expenses):								
Interest revenue	-	-	-	24	-	-	24	78
Interest expense	-	-	(54)	(1,566)	(72)	(498)	(2,190)	(1,669)
Gain (loss) on disposal of fixed assets	-	(62)	(12)	(887)	-	-	(961)	239
Damages/losses recovered	-	-	-	233	-	2,758	2,991	88
Other revenues	46	-	-	50	-	648	744	1,968
Total non-operating revenues (expenses)	46	(62)	(66)	(2,146)	(72)	2,908	608	704

(continued)

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-2
(Continued)
(In Thousands)**

	Engineering Materials and Testing	Inter- governmental Services	Property Services	Permanent Improvement Equipment	Public Works Stores	Self-Insurance	2000 Total	1999 Total
Income (loss) before operating transfers	119	(11,967)	75	(4,385)	397	(17,430)	(33,191)	(22,400)
Operating transfers in (out):								
Transfers from other funds	-	15,233		351		350	15,934	11,284
Transfers (to) other funds	(139)	(6,848)	(178)	(271)	(11)	(50)	(7,497)	(5,702)
Transfers from component units	-	94	-	-	-	-	94	13
Transfers to component units	-	-	-	-	-	-	-	-
Total operating transfers	(139)	8,479	(178)	80	(11)	300	8,531	5,595
Net income (loss)	(20)	(3,488)	(103)	(4,305)	386	(17,130)	(24,660)	(16,805)
Retained earnings - January 1	1,742	(9,627)	(1,971)	(1,933)	225	(32,316)	(43,880)	(27,075)
Retained earnings - December 31	\$ 1,722	\$ (13,115)	\$ (2,074)	\$ (6,238)	\$ 611	\$ (49,446)	\$ (68,540)	\$ (43,880)

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-3**

For the fiscal year ended December 31, 2000

(In Thousands)

	Engineering Materials and Testing	Inter- governmental Services	Property Services	Permanent Improvement Equipment	Public Works Stores	Self-Insurance	2000 Total	1999 Total
Cash flows from operating activities:								
Operating income (loss)	73	(11,905)	141	(2,239)	469	(20,338)	(33,799)	(23,104)
Adjustments to reconcile operating income (loss)	-	-	-	-	-	-	-	-
to net cash provided (used) by operating activities:	-	-	-	-	-	-	-	-
Depreciation	94	448	24	3,836	8	14	4,424	4,720
(Increase) decrease in accounts receivable	42	(16)	230	73	(85)	7	251	(117)
(Increase) decrease in due from other funds	-	-	-	-	-	-	-	(1,050)
(Increase) decrease in inventories	14	-	-	58	193	-	265	(121)
(Increase) decrease in prepaid items	-	-	-	-	-	-	-	83
Increase (decrease) in salaries payable	6	12	3	308	(2)	29	356	80
Increase (decrease) in accounts payable	(10)	(172)	249	158	146	(358)	13	(97)
Increase (decrease) in due to other funds	-	4	-	-	-	-	4	(1)
Increase (decrease) in deferred revenue	112	-	-	571	-	-	683	(123)
Increase (decrease) in compensated absences payable	6	6	5	(1)	-	239	255	389
Increase (decrease) in unpaid claims payable	-	-	-	-	-	7,697	7,697	1,796
Damages/losses recovered	-	-	-	233	-	2,758	2,991	88
Other non-operating revenues	46	1	-	50	-	648	745	1,930
Total adjustments	310	283	511	5,286	260	11,034	17,684	7,577
Net cash provided (used) by operating activities	383	(11,622)	652	3,047	729	(9,304)	(16,115)	(15,527)
Cash flows from non-capital financing activities:								
Proceeds from bonds	-	-	-	-	-	8,800	8,800	-
Interfund loans received	1,050	-	1,545	16,700	1,286	4,210	24,791	32,675
Operating transfers from other funds	-	12,800	-	351	-	350	13,501	11,372
Operating transfers from component units	-	15,233	-	-	-	-	15,233	13
Principal paid on bonds	-	94	-	-	-	(670)	(576)	(640)
Interest paid on bonds	-	-	-	-	-	(189)	(189)	(110)

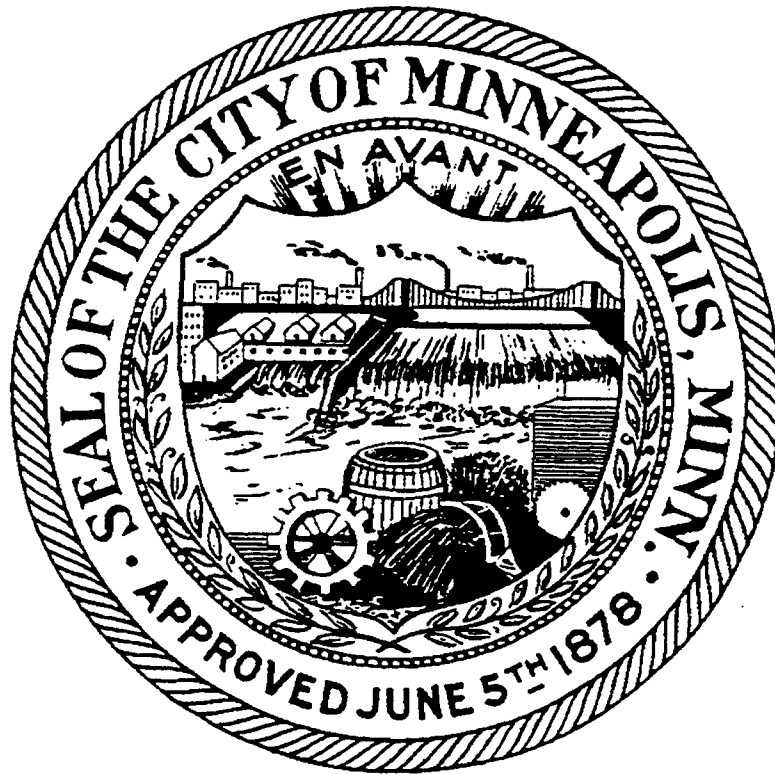
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**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-3
(Continued)
(In Thousands)**

For the fiscal year ended December 31, 2000

	Engineering Materials and Testing	Inter- governmental Services	Property Services	Permanent Improvement Equipment	Public Works Stores	Self-Insurance	2000 Total	1999 Total
Operating transfers to other funds	(139)	(6,848)	(178)	(271)	(11)	(50)	(7,497)	(5,790)
Interfund loans paid	(1,286)	(9,000)	(1,950)	(15,800)	(1,950)	(2,875)	(32,861)	(17,025)
Interest paid on interfund loans	-	-	(54)	(747)	(72)	(273)	(1,146)	(1,364)
Net cash provided (used) by non-capital financing activities	(375)	12,279	(637)	233	(747)	9,303	20,056	19,131
Cash flows from capital and related financing activities:								
Proceeds from bonds	-	-	-	-	-	-	-	8,600
Interest paid on bonds	-	-	-	(819)	-	-	(819)	(481)
Proceeds from sale of fixed assets	-	-	-	356	-	-	356	565
Acquisition and construction of fixed assets	(46)	(624)	(26)	(2,925)	-	(4)	(3,625)	(15,053)
Net cash provided (used) by capital and related financing activities	(46)	(624)	(26)	(3,388)	-	(4)	(4,088)	(6,369)
Cash flows from investing activities:								
Interest	-	-	-	24	-	-	24	78
Net cash provided (used) by investing activities	-	-	-	24	-	-	24	78
Net increase (decrease) in cash and cash equivalents	(38)	33	(11)	(84)	(18)	(5)	(123)	(2,687)
Cash and cash equivalents, beginning of year	41	31	14	92	18	12	208	2,895
Cash and cash equivalents, end of year	\$ 3	64	3	8	-	7	85	208
Non-cash capital and financing activities:								
(Loss) on disposal of fixed assets	\$ -	(62)	(12)	(887)	-	-	(961)	(17)
Fixed assets constructed in capital projects funds	\$ -	-	-	-	-	-	-	4,617



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**ENGINEERING MATERIALS AND TESTING
INTERNAL SERVICE FUND
BALANCE SHEET
December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-4**

(In Thousands)

	2000	1999
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3	\$ 41
Receivables:		
Accounts - net	18	60
Interfund loans receivable	1,286	1,050
Inventories	84	98
Total current assets	1,391	1,249
Fixed assets:		
Land, leaseholds and easements	-	-
Buildings and structures	2,961	2,915
Less accumulated depreciation	(2,381)	(2,326)
Public improvements	-	-
Less accumulated depreciation	-	-
Machinery and equipment	427	426
Less accumulated depreciation	(241)	(207)
Computer equipment	90	90
Less accumulated depreciation	(69)	(65)
Software	1	1
Less accumulated depreciation	(1)	(1)
Other capital outlay	15	16
Less accumulated depreciation	(6)	(4)
Construction in progress	-	-
Net fixed assets	796	845
Total assets	\$ 2,187	\$ 2,094
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Salaries payable	\$ 44	\$ 38
Accounts payable	39	50
Intergovernmental payable	-	-
Interfund loans payable	-	-
Interest payable	-	-
Deferred revenue	140	28
Bonds payable-current portion	-	-
Total current liabilities	223	116
Long-term liabilities:		
Bonds payable	-	-
Compensated absences payable	58	52
Unpaid claims payable	-	-
Total long-term liabilities	58	52
Total liabilities	281	168
Fund equity:		
Contributed capital	184	184
Retained earnings:		
Reserved for future contingencies	28	42
Reserved for renewal and replacement	1,000	1,000
Reserved for severance pay	-	-
Unreserved	694	700
Total fund equity	1,906	1,926
Total liabilities and fund equity	\$ 2,187	\$ 2,094

**ENGINEERING MATERIALS AND TESTING
INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-5**

(In Thousands)

	2000	1999
Operating revenues:		
Charges for services and sales	\$ 3,618	\$ 2,465
Rents and commissions		-
Total operating revenues	<u>3,618</u>	<u>2,465</u>
Operating expenses:		
Personal services	1,215	1,084
Contractual services	565	581
Materials, supplies, services and other	1,601	949
Rent	70	66
Cost of stores issuance	-	-
Depreciation	94	95
Total operating expenses	<u>3,545</u>	<u>2,775</u>
Operating income (loss)	<u>73</u>	<u>(310)</u>
Non-operating revenues (expenses):		
Interest revenue	-	-
Interest expense	-	-
Gain (loss) on disposal of fixed assets	-	-
Damages/losses recovered	-	-
Other revenues	46	40
Total non-operating revenues (expenses)	<u>46</u>	<u>40</u>
Income (loss) before operating transfers	<u>119</u>	<u>(270)</u>
Operating transfers in (out):		
Transfers (to) other funds	(139)	(6)
Total operating transfers	<u>(139)</u>	<u>(6)</u>
Net income (loss)	<u>(20)</u>	<u>(276)</u>
Retained earnings - January 1	<u>1,742</u>	<u>2,018</u>
Retained earnings - December 31	<u>\$ 1,722</u>	<u>\$ 1,742</u>

**ENGINEERING MATERIALS AND TESTING
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-6**

(In Thousands)

	2000	1999
Cash flows from operating activities:		
Operating income (loss)	\$ 73	\$ (310)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	94	95
(Increase) decrease in accounts receivable	42	102
(Increase) decrease in due from other funds	-	(1,050)
(Increase) decrease in inventories	14	(10)
(Increase) decrease in prepaid items	-	-
Increase (decrease) in salaries payable	6	(4)
Increase (decrease) in accounts payable	(10)	(11)
Increase (decrease) in due to other funds	-	-
Increase (decrease) in deferred revenue	112	(123)
Increase (decrease) in compensated absences payable	6	(6)
Increase (decrease) in unpaid claims payable	-	-
Damages/losses recovered	-	-
Other non-operating revenues	46	40
Total adjustments	310	(967)
Net cash provided (used) by operating activities	383	(1,277)
Cash flows from non-capital financing activities:		
Interfund loans received	1,050	-
Operating transfers from other funds	-	-
Operating transfers from component units	-	-
Principal paid on bonds	-	-
Interest paid on bonds	-	-
Operating transfers to other funds	(139)	(6)
Interfund loans paid	(1,286)	-
Interest paid on interfund loans	-	-
Net cash provided (used) by non-capital financing activities	(375)	(6)
Cash flows from capital and related financing activities:		
Proceeds from bonds	-	-
Interest paid on bonds	-	-
Proceeds from sale of fixed assets	-	-
Acquisition and construction of fixed assets	(46)	(15)
Net cash provided (used) by capital and related financing activities	(46)	(15)
Cash flows from investing activities:		
Interest	-	-
Net cash provided (used) by investing activities	-	-
Net increase (decrease) in cash and cash equivalents	(38)	(1,298)
Cash and cash equivalents, beginning of year	41	1,339
Cash and cash equivalents, end of year	\$ 3	\$ 41
Non-cash capital and financing activities:		
(Loss) on disposal of fixed assets	\$ -	\$ -
Fixed assets constructed in capital projects funds	-	-

**INTERGOVERNMENTAL SERVICES
INTERNAL SERVICE FUND
BALANCE SHEET
December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-7**

(In Thousands)

	2000	1999
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 64	\$ 31
Receivables:		
Accounts - net	27	11
Interfund loans receivable	-	-
Inventories	-	-
Total current assets	91	42
Fixed assets:		
Land, leaseholds and easements	-	-
Buildings and structures	-	-
Less accumulated depreciation	-	-
Public improvements	-	-
Less accumulated depreciation	-	-
Machinery and equipment	1,784	1,771
Less accumulated depreciation	(1,368)	(1,293)
Computer equipment	1,746	6,602
Less accumulated depreciation	(730)	(5,625)
Software	700	487
Less accumulated depreciation	(303)	(222)
Other capital outlay	97	97
Less accumulated depreciation	(86)	(86)
Construction in progress	-	-
Net fixed assets	1,840	1,731
Total assets	\$ 1,931	\$ 1,773
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Salaries payable	\$ 181	\$ 169
Accounts payable	952	1,128
Intergovernmental payable	4	-
Interfund loans payable	-	9,000
Interest payable	-	-
Deferred revenue	-	-
Bonds payable-current portion	-	-
Total current liabilities	1,137	10,297
Long-term liabilities:		
Advanced from other fund - Convention Ctr Sp Rev	12,800	-
Bonds payable	-	-
Compensated absences payable	205	199
Unpaid claims payable	-	-
Total long-term liabilities	13,005	199
Total liabilities	14,142	10,496
Fund equity:		
Contributed capital	904	904
Retained earnings:		
Reserved for future contingencies	-	-
Reserved for renewal and replacement	-	-
Reserved for severance pay	-	-
Unreserved	(13,115)	(9,627)
Total fund equity	(12,211)	(8,723)
Total liabilities and fund equity	\$ 1,931	\$ 1,773

**INTERGOVERNMENTAL SERVICES
INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-8**

(In Thousands)

	2000	1999
Operating revenues:		
Charges for services and sales	\$ 2,894	\$ 3,378
Rents and commissions	-	-
Total operating revenues	2,894	3,378
Operating expenses:		
Personal services	4,383	4,177
Contractual services	6,836	6,631
Materials, supplies, services and other	821	1,004
Rent	2,311	1,708
Cost of stores issuance	-	-
Depreciation	448	432
Total operating expenses	14,799	13,952
Operating income (loss)	(11,905)	(10,574)
Non-operating revenues (expenses):		
Interest revenue	-	-
Interest expense	-	(412)
Gain (loss) on disposal of fixed assets	(62)	-
Damages/losses recovered	-	-
Other revenues	-	50
Total non-operating revenues (expenses)	(62)	(362)
Income (loss) before operating transfers	(11,967)	(10,936)
Operating transfers in (out):		
Transfers from other funds	15,233	10,922
Transfers from component units	94	13
Transfers (to) other funds	(6,848)	(5,603)
Total operating transfers	8,479	5,332
Net income (loss)	(3,488)	(5,604)
Retained earnings - January 1	(9,627)	(4,023)
Retained earnings - December 31	\$ (13,115)	\$ (9,627)

**INTERGOVERNMENTAL SERVICES
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-9**

(In Thousands)

	2000	1999
Cash flows from operating activities:		
Operating income (loss)	\$ (11,905)	\$ (10,574)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	448	432
(Increase) decrease in accounts receivable	(16)	(4)
(Increase) decrease in due from other funds	-	-
(Increase) decrease in inventories	-	-
(Increase) decrease in prepaid items	-	57
Increase (decrease) in salaries payable	12	29
Increase (decrease) in accounts payable	(172)	187
Increase (decrease) in due to other funds	4	(1)
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in compensated absences payable	6	15
Increase (decrease) in unpaid claims payable	-	-
Damages/losses recovered	-	-
Other non-operating revenues	1	12
Total adjustments	283	727
Net cash provided (used) by operating activities	(11,622)	(9,847)
Cash flows from non-capital financing activities:		
Interfund loans received	-	9,000
Advance from other funds	12,800	-
Operating transfers from other funds	15,233	10,922
Operating transfers from component units	94	13
Principal paid on bonds	-	-
Interest paid on bonds	-	-
Operating transfers to other funds	(6,848)	(5,603)
Interfund loans paid	(9,000)	(3,425)
Interest paid on interfund loans	-	(412)
Net cash provided (used) by non-capital financing activities	12,279	10,495
Cash flows from capital and related financing activities:		
Proceeds from bonds	-	-
Interest paid on bonds	-	-
Proceeds from sale of fixed assets	-	-
Acquisition and construction of fixed assets	(624)	(620)
Net cash provided (used) by capital and related financing activities	(624)	(620)
Cash flows from investing activities:		
Interest	-	-
Net cash provided (used) by investing activities	-	-
Net increase (decrease) in cash and cash equivalents	33	28
Cash and cash equivalents, beginning of year	31	3
Cash and cash equivalents, end of year	\$ 64	\$ 31
Non-cash capital and financing activities:		
(Loss) on disposal of fixed assets	\$ (62)	\$ -
Fixed assets constructed in capital projects funds	-	-

**PROPERTY SERVICES
INTERNAL SERVICE FUND
BALANCE SHEET
December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-10
(In Thousands)**

	2000	1999
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3	\$ 14
Receivables:		
Accounts - net	67	297
Interfund loans receivable	-	-
Inventories	-	-
Total current assets	70	311
Fixed assets:		
Land, leaseholds and easements	27	27
Buildings and structures	90	90
Less accumulated depreciation	(90)	(90)
Public improvements	-	-
Less accumulated depreciation	-	-
Machinery and equipment	160	152
Less accumulated depreciation	(98)	(94)
Computer equipment	156	273
Less accumulated depreciation	(134)	(229)
Software	12	1
Less accumulated depreciation	(1)	(1)
Other capital outlay	44	44
Less accumulated depreciation	(26)	(24)
Construction in progress	-	-
Net fixed assets	140	149
Total assets	\$ 210	\$ 460
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Salaries payable	\$ 125	\$ 122
Accounts payable	470	220
Intergovernmental payable	1	1
Interfund loans payable	1,545	1,950
Interest payable	-	-
Deferred revenue	-	-
Bonds payable-current portion	-	-
Total current liabilities	2,141	2,293
Long-term liabilities:		
Bonds payable	-	-
Compensated absences payable	143	138
Unpaid claims payable	-	-
Total long-term liabilities	143	138
Total liabilities	2,284	2,431
Fund equity:		
Contributed capital	-	-
Retained earnings:		
Reserved for future contingencies	-	-
Reserved for renewal and replacement	-	-
Reserved for severance pay	-	-
Unreserved	(2,074)	(1,971)
Total fund equity	(2,074)	(1,971)
Total liabilities and fund equity	\$ 210	\$ 460

**PROPERTY SERVICES
INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-11**

(In Thousands)

	2000	1999
Operating revenues:		
Charges for services and sales	\$ 2,324	\$ 1,678
Rents and commissions	3,163	2,665
Total operating revenues	5,487	4,343
Operating expenses:		
Personal services	3,048	2,904
Contractual services	1,301	1,276
Materials, supplies, services and other	919	686
Rent	54	4
Cost of stores issuance	-	-
Depreciation	24	31
Total operating expenses	5,346	4,901
Operating income (loss)	141	(558)
Non-operating revenues (expenses):		
Interest revenue	-	-
Interest expense	(54)	(42)
Gain (loss) on disposal of fixed assets	(12)	(16)
Damages/losses recovered	-	-
Other revenues	-	-
Total non-operating revenues (expenses)	(66)	(58)
Income (loss) before operating transfers	75	(616)
Operating transfers in (out):		
Transfers from other funds	-	-
Transfers to other funds	(178)	(22)
Total operating transfers	(178)	(22)
Net income (loss)	(103)	(638)
Retained earnings - January 1	(1,971)	(1,333)
Retained earnings - December 31	\$ (2,074)	\$ (1,971)

PROPERTY SERVICES
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended December 31, 2000

CITY OF MINNEAPOLIS, MINNESOTA
Statement F-12

(In Thousands)

	2000	1999
Cash flows from operating activities:		
Operating income (loss)	\$ 141	\$ (558)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	24	31
(Increase) decrease in accounts receivable	230	(288)
(Increase) decrease in due from other funds	-	-
(Increase) decrease in inventories	-	-
(Increase) decrease in prepaid items	-	-
Increase (decrease) in salaries payable	3	32
Increase (decrease) in accounts payable	249	64
Increase (decrease) in due to other funds	-	-
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in compensated absences payable	5	16
Increase (decrease) in unpaid claims payable	-	-
Damages/losses recovered	-	-
Other non-operating revenues	-	-
Total adjustments	511	(145)
Net cash provided (used) by operating activities	652	(703)
Cash flows from non-capital financing activities:		
Interfund loans received	1,545	1,950
Operating transfers from other funds	-	-
Operating transfers from component units	-	-
Principal paid on bonds	-	-
Interest paid on bonds	-	-
Operating transfers to other funds	(178)	(22)
Interfund loans paid	(1,950)	(1,135)
Interest paid on interfund loans	(54)	(42)
Net cash provided (used) by non-capital financing activities	(637)	751
Cash flows from capital and related financing activities:		
Proceeds from bonds	-	-
Interest paid on bonds	-	-
Proceeds from sale of fixed assets	-	-
Acquisition and construction of fixed assets	(26)	(34)
Net cash provided (used) by capital and related financing activities	(26)	(34)
Cash flows from investing activities:		
Interest	-	-
Net cash provided (used) by investing activities	-	-
Net increase (decrease) in cash and cash equivalents	(11)	14
Cash and cash equivalents, beginning of year	14	-
Cash and cash equivalents, end of year	\$ 3	\$ 14
Non-cash capital and financing activities:		
(Loss) on disposal of fixed assets	\$ (12)	\$ (16)
Fixed assets constructed in capital projects funds	-	-

**PERMANENT IMPROVEMENT EQUIPMENT
INTERNAL SERVICE FUND
BALANCE SHEET
December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-13**

(In Thousands)

	2000	1999
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8	\$ 92
Receivables:		
Accounts - net	338	411
Interfund loans receivable	-	-
Inventories	613	671
Total current assets	959	1,174
Fixed assets:		
Land, leaseholds and easements	3,085	3,085
Buildings and structures	24,002	12,218
Less accumulated depreciation	(780)	(1,442)
Public improvements	-	-
Less accumulated depreciation	-	-
Machinery and equipment	41,844	41,695
Less accumulated depreciation	(23,829)	(23,055)
Computer equipment	1,106	1,496
Less accumulated depreciation	(722)	(982)
Software	5	-
Less accumulated depreciation	(1)	-
Other capital outlay	32	32
Less accumulated depreciation	(24)	(23)
Construction in progress		9,025
Net fixed assets	44,718	42,049
Total assets	\$ 45,677	\$ 43,223
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Salaries payable	\$ 811	\$ 503
Accounts payable	949	791
Intergovernmental payable	-	-
Interfund loans payable	16,700	15,800
Interest payable	71	57
Deferred revenue	571	-
Bonds payable-current portion	-	-
Total current liabilities	19,102	17,151
Long-term liabilities:		
Bonds payable	20,150	20,150
Compensated absences payable	714	715
Unpaid claims payable	-	-
Total long-term liabilities	20,864	20,865
Total liabilities	39,966	38,016
Fund equity:		
Contributed capital	11,949	7,140
Retained earnings:		
Reserved for future contingencies	-	-
Reserved for renewal and replacement	-	-
Reserved for severance pay	-	-
Unreserved	(6,238)	(1,933)
Total fund equity	5,711	5,207
Total liabilities and fund equity	\$ 45,677	\$ 43,223

**PERMANENT IMPROVEMENT EQUIPMENT
INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-14**

(In Thousands)

	2000	1999
Operating revenues:		
Charges for services and sales	\$ 10,324	\$ 11,240
Rents and commissions	17,950	13,646
Total operating revenues	28,274	24,886
Operating expenses:		
Personal services	15,253	15,000
Contractual services	2,723	2,348
Materials, supplies, services and other	4,331	4,096
Rent	2,479	1,757
Cost of stores issuance	1,891	1,519
Depreciation	3,836	4,120
Total operating expenses	30,513	28,840
Operating income (loss)	(2,239)	(3,954)
Non-operating revenues (expenses):		
Interest revenue	24	78
Interest expense	(1,566)	(982)
Gain (loss) on disposal of fixed assets	(887)	257
Damages/losses recovered	233	88
Other revenues	50	49
Total non-operating revenues (expenses)	(2,146)	(510)
Income (loss) before operating transfers	(4,385)	(4,464)
Operating transfers in (out):		
Operating transfers from other funds	351	220
Operating transfers to other funds	(271)	(149)
Total operating transfers	80	71
Net income (loss)	(4,305)	(4,393)
Retained earnings - January 1	(1,933)	2,460
Retained earnings - December 31	\$ (6,238)	\$ (1,933)

**PERMANENT IMPROVEMENT EQUIPMENT
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-15**

(In Thousands)

	2000	1999
Cash flows from operating activities:		
Operating income (loss)	\$ (2,239)	\$ (3,954)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	3,836	4,120
(Increase) decrease in accounts receivable	73	88
(Increase) decrease in due from other funds	-	-
(Increase) decrease in inventories	58	148
(Increase) decrease in prepaid items	-	-
Increase (decrease) in salaries payable	308	(13)
Increase (decrease) in accounts payable	158	(319)
Increase (decrease) in due to other funds	-	-
Increase (decrease) in deferred revenue	571	-
Increase (decrease) in compensated absences payable	(1)	43
Increase (decrease) in unpaid claims payable	-	-
Damages/losses recovered	233	88
Other non-operating revenues	50	49
Total adjustments	5,286	4,204
Net cash provided (used) by operating activities	3,047	250
Cash flows from non-capital financing activities:		
Interfund loans received	16,700	15,800
Operating transfers from other funds	351	220
Operating transfers from component units	-	-
Principal paid on bonds	-	-
Interest paid on bonds	-	-
Operating transfers to other funds	(271)	(149)
Interfund loans paid	(15,800)	(11,160)
Interest paid on interfund loans	(747)	(786)
Net cash provided (used) by non-capital financing activities	233	3,925
Cash flows from capital and related financing activities:		
Proceeds from bonds	-	8,600
Interest paid on bonds	(819)	(481)
Proceeds from sale of fixed assets	356	565
Acquisition and construction of fixed assets	(2,925)	(14,349)
Net cash provided (used) by capital and related financing activities	(3,388)	(5,665)
Cash flows from investing activities:		
Interest	24	78
Net cash provided (used) by investing activities	24	78
Net increase (decrease) in cash and cash equivalents	(84)	(1,412)
Cash and cash equivalents, beginning of year	92	1,504
Cash and cash equivalents, end of year	\$ 8	\$ 92
Non-cash capital and financing activities:		
(Loss) on disposal of fixed assets	\$ (887)	\$ -
Fixed assets constructed in capital projects funds	-	4,617

**PUBLIC WORKS STORES
INTERNAL SERVICE FUND
BALANCE SHEET
December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-16**

(In Thousands)

	<u>2000</u>	<u>1999</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -	\$ 18
Receivables:		
Accounts - net	88	3
Interfund loans receivable	-	-
Inventories	3,113	3,306
Total current assets	<u>3,201</u>	<u>3,327</u>
Fixed assets:		
Land, leaseholds and easements	-	-
Buildings and structures	-	-
Less accumulated depreciation	-	-
Public improvements	3	3
Less accumulated depreciation	(1)	(1)
Machinery and equipment	179	179
Less accumulated depreciation	(156)	(151)
Computer equipment	53	53
Less accumulated depreciation	(45)	(44)
Software	10	10
Less accumulated depreciation	(9)	(9)
Other capital outlay	23	23
Less accumulated depreciation	(14)	(13)
Construction in progress	-	-
Net fixed assets	<u>43</u>	<u>50</u>
Total assets	<u>\$ 3,244</u>	<u>\$ 3,377</u>
Current liabilities:		
Salaries payable	\$ 25	\$ 27
Accounts payable	198	51
Intergovernmental payable	-	-
Interfund loans payable	1,286	1,950
Interest payable	-	-
Deferred revenue	-	-
Bonds payable-current portion	-	-
Total current liabilities	<u>1,509</u>	<u>2,028</u>
Long-term liabilities:		
Bonds payable	-	-
Compensated absences payable	28	28
Unpaid claims payable	-	-
Total long-term liabilities	<u>28</u>	<u>28</u>
Total liabilities	<u>1,537</u>	<u>2,056</u>
Fund equity:		
Contributed capital	1,096	1,096
Retained earnings:		
Reserved for future contingencies	-	-
Reserved for renewal and replacement	-	-
Reserved for severance pay	-	-
Unreserved	611	225
Total fund equity	<u>1,707</u>	<u>1,321</u>
Total liabilities and fund equity	<u>\$ 3,244</u>	<u>\$ 3,377</u>

**PUBLIC WORKS STORES
INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-17**

(In Thousands)

	2000	1999
Operating revenues:		
Charges for services and sales	\$ 4,192	\$ 3,364
Rents and commissions	-	-
Total operating revenues	4,192	3,364
Operating expenses:		
Personal services	587	606
Contractual services	62	56
Materials, supplies, services and other	156	88
Rent	41	35
Cost of stores issuance	2,869	2,577
Depreciation	8	30
Total operating expenses	3,723	3,392
Operating income (loss)	469	(28)
Non-operating revenues (expenses):		
Interest revenue	-	-
Interest expense	(72)	(100)
Gain (loss) on disposal of fixed assets	-	-
Damages/losses recovered	-	-
Other revenues	-	-
Total non-operating revenues (expenses)	(72)	(100)
Income (loss) before operating transfers	397	(128)
Operating transfers in (out):		
Transfers from other funds	-	-
Transfers to other funds	(11)	(10)
Total operating transfers	(11)	(10)
Net income (loss)	386	(138)
Retained earnings - January 1	225	363
Retained earnings - December 31	\$ 611	\$ 225

**PUBLIC WORKS STORES
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-18
(In Thousands)**

	2000	1999
Cash flows from operating activities:		
Operating income (loss)	\$ 469	\$ (28)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	8	30
(Increase) decrease in accounts receivable	(85)	3
(Increase) decrease in due from other funds	-	-
(Increase) decrease in inventories	193	(259)
(Increase) decrease in prepaid items	-	-
Increase (decrease) in salaries payable	(2)	2
Increase (decrease) in accounts payable	146	(265)
Increase (decrease) in due to other funds	-	-
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in compensated absences payable	-	-
Increase (decrease) in unpaid claims payable	-	-
Damages/losses recovered	-	-
Other non-operating revenues	-	-
Total adjustments	260	(489)
Net cash provided (used) by operating activities	729	(517)
Cash flows from non-capital financing activities:		
Interfund loans received	1,286	1,950
Operating transfers from other funds	-	-
Operating transfers from component units	-	-
Principal paid on bonds	-	-
Interest paid on bonds	-	-
Operating transfers to other funds	(11)	(10)
Interfund loans paid	(1,950)	(1,305)
Interest paid on interfund loans	(72)	(100)
Net cash provided (used) by non-capital financing activities	(747)	535
Cash flows from capital and related financing activities:		
Proceeds from bonds	-	-
Interest paid on bonds	-	-
Proceeds from sale of fixed assets	-	-
Acquisition and construction of fixed assets	-	(1)
Net cash provided (used) by capital and related financing activities	-	(1)
Cash flows from investing activities:		
Interest	-	-
Net cash provided (used) by investing activities	-	-
Net increase (decrease) in cash and cash equivalents	(18)	17
Cash and cash equivalents, beginning of year	18	1
Cash and cash equivalents, end of year	\$ 0	\$ 18
Non-cash capital and financing activities:		
(Loss) on disposal of fixed assets	\$ -	\$ -
Fixed assets constructed in capital projects funds	-	-

**SELF-INSURANCE
INTERNAL SERVICE FUND
BALANCE SHEET
December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-19**

(In Thousands)

	2000	1999
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7	\$ 12
Receivables:		
Accounts - net	22	29
Interfund loans receivable	-	-
Inventories	-	-
Total current assets	29	41
Fixed assets:		
Land, leaseholds and easements	-	-
Buildings and structures	-	-
Less accumulated depreciation	-	-
Public improvements	-	-
Less accumulated depreciation	-	-
Machinery and equipment	23	21
Less accumulated depreciation	(16)	(12)
Computer equipment	51	49
Less accumulated depreciation	(20)	(10)
Software	3	3
Less accumulated depreciation	(2)	(1)
Other capital outlay	1	1
Less accumulated depreciation	-	-
Construction in progress	-	-
Net fixed assets	40	51
Total assets	\$ 69	\$ 92
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Salaries payable	\$ 247	\$ 218
Accounts payable	434	793
Intergovernmental payable	-	-
Interfund loans payable	4,210	2,875
Interest payable	46	10
Deferred revenue	-	-
Bonds payable-current portion	745	670
Total current liabilities	5,682	4,566
Long-term liabilities:		
Bonds payable	10,275	2,220
Compensated absences payable	3,976	3,737
Unpaid claims payable	29,582	21,885
Total long-term liabilities	43,833	27,842
Total liabilities	49,515	32,408
Fund equity:		
Contributed capital	-	-
Retained earnings:		
Reserved for future contingencies	-	-
Reserved for renewal and replacement	-	-
Reserved for severance pay	3,797	3,257
Unreserved	(53,243)	(35,573)
Total fund equity	(49,446)	(32,316)
Total liabilities and fund equity	\$ 69	\$ 92

**SELF-INSURANCE
INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-20**

(In Thousands)

	2000	1999
Operating revenues:		
Charges for services and sales	\$ 43,701	\$ 42,004
Rents and commissions	-	-
Total operating revenues	43,701	42,004
Operating expenses:		
Personal services	10,981	10,592
Contractual services	33,882	34,358
Materials, supplies, services and other	18,789	4,722
Rent	373	-
Cost of stores issuance	-	-
Depreciation	14	12
Total operating expenses	64,039	49,684
Operating income (loss)	(20,338)	(7,680)
Non-operating revenues (expenses):		
Interest revenue	-	-
Interest expense	(498)	(133)
Gain (loss) on disposal of fixed assets	-	(2)
Damages/losses recovered	2,758	-
Other revenues	648	1,829
Total non-operating revenues (expenses)	2,908	1,694
Income (loss) before operating transfers	(17,430)	(5,986)
Operating transfers in (out):		
Operating transfers from other funds	350	230
Operating transfers to other funds	(50)	-
Total operating transfers	300	230
Net income (loss)	(17,130)	(5,756)
Retained earnings - January 1	(32,316)	(26,560)
Retained earnings - December 31	\$ (49,446)	\$ (32,316)

**SELF-INSURANCE
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended December 31, 2000**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-21**

(In Thousands)

	2000	1999
Cash flows from operating activities:		
Operating income (loss)	\$ (20,338)	\$ (7,680)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	14	12
(Increase) decrease in accounts receivable	7	(18)
(Increase) decrease in due from other funds	-	-
(Increase) decrease in inventories	-	-
(Increase) decrease in prepaid items	-	26
Increase (decrease) in salaries payable	29	34
Increase (decrease) in accounts payable	(358)	247
Increase (decrease) in due to other funds	-	-
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in compensated absences payable	239	321
Increase (decrease) in unpaid claims payable	7,697	1,796
Damages/losses recovered	2,758	-
Other non-operating revenues	648	1,829
Total adjustments	11,034	4,247
Net cash provided (used) by operating activities	(9,304)	(3,433)
Cash flows from non-capital financing activities:		
Proceeds from bonds	8,800	-
Interfund loans received	4,210	3,975
Operating transfers from other funds	350	230
Operating transfers from component units	-	-
Principal paid on bonds	(670)	(640)
Interest paid on bonds	(189)	(110)
Operating transfers to other funds	(50)	-
Interfund loans paid	(2,875)	-
Interest paid on interfund loans	(273)	(24)
Net cash provided (used) by non-capital financing activities	9,303	3,431
Cash flows from capital and related financing activities:		
Interest paid on bonds	-	-
Proceeds from sale of fixed assets	-	-
Acquisition and construction of fixed assets	(4)	(34)
Net cash provided (used) by capital and related financing activities	(4)	(34)
Cash flows from investing activities:		
Interest	-	-
Net cash provided (used) by investing activities	-	-
Net increase (decrease) in cash and cash equivalents	(5)	(36)
Cash and cash equivalents, beginning of year	12	48
Cash and cash equivalents, end of year	\$ 7	\$ 12
Non-cash capital and financing activities:		
(Loss) on disposal of fixed assets	\$ -	\$ (1)
Fixed assets constructed in capital projects funds	-	-



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